Financial Service Scheme

4248. SHRI BRAHMA KUMAR BHATT : Will the Minister of SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES be pleased to state :

(a) whether the Financial Scheme meant for small scale industries is functioning in Gujarat; and

(b) if so, the details thereof and the criteria adopted to provide financial assistance during the last three years, for setting up of new projects, expansion, diversification, modernisation, technology, upgradation, quality improvement, rehabilitation of existing units and strengthening of marketing capabilities of SSI units ?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA RAJE) : (a) Small Industries Development Bank of India provides credit to the small scale industries all over the country including Gujarat.

(b) The assistance is made available through appropriate schemes of direct assistance and indirect assistance (Refinance of loans to small scale industries by prime lending institutions *viz.* Banks/State Financial Corporations and State Industries Development Corporations).

The criterion adopted for providing assistance to entrepreneurs during the last three years for the purpose of setting up of new projects, expansion diversification, modernisation, technology upgradation, quality improvement, rehabilitation of existing units; and strengthening of marketing capabilities of SSI units, is to ensure that no worthwhile proposal is denied credit by it for want of funds. First generation technocrats, women entrepreneurs and those in the tiny sector are encouraged to set up their units with lower promoters' contribution, lower debt equity ratio, etc.

Recommendations of Abid Hussain Committee

†4249. SHRI GOPALSING G. SOLANKI : Will the Minister of SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES be pleased to state :

(a) the main recommendations of Abid Hussain Committee for the small scale industries sector;

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†Original notice of the Question was received in Hindi.

(b) the number of recommendations which have been implemented/yet to be implemented;

(c) whether Government propose to withdraw reservation from more items in the small scale industries sector; and

(d) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA RAJE) : (a) and (b) The Major recommendations of the Abid Hussain Committee, *inter alia*, include enactment of a separate law for small enterprises, inclusion of service enterprises in the SSI fold, enhancement of investment limit for SSI units, promotion of technology development, further streamlining of the credit delivery systems and de-reservation of items reserved for exclusive manufacture in the small scale sector. The recommendations have been broadly accepted barring a few such as, enhancement of investment limit to Rs. 30 million and abolition of SSI reservation.

(c) and (d) The issue of reservation of items for exclusive manufacture in the SSI Sector is examined on a continual basis by the Advisory Committee on Reservation, which has been specifically constituted for this purpose under the provisions of the Industries (Development & Regulation) Act, 1951. Addition/deletion/change in nomenclature of items in the reservations list is made from time to time based on the recommendations of the Advisory Committee.

Increasing the fund allocation for MPLADS

4250. SHRI C. M. IBRAHIM : Will the PRIME MINISTER be pleased to state :

(a) whether there has been a general pressing demand from several Members of Parliament for increasing the per Member Annual allocation for MPLADS from Rs. 2 crore to Rs. 4 crore per year.

(b) if so, the reasons therefor; and

(c) whether any demand for widening the scope and guidelines for utilising these funds specifying the nature of Projects to be funded therewith have also been made; if so, whether the guidelines have been widened and in respect of what nature of schemes in 1998-99 and 1999-2000 ?